

CITY OF MILWAUKEE – PURCHASE AND SALE AGREEMENT
Commercial Improved Property [6-30-2021 GH, CAO 275317]

____ (“**Buyer**”), as buyer, agrees to purchase from the **City of Milwaukee** (“**City**”), as seller, and City agrees to sell to Buyer, on the terms and conditions herein, the City’s right, title, and interest in the following property in Milwaukee, Wisconsin (the “**Property**”):

Address: _____
Tax Key No.: _____

As used herein, “**Offer**” means this Purchase and Sale Agreement; “**DCD**” means the City’s Department of City Development; and “**DNS**” means the City’s Department of Neighborhood Services. The **Effective Date** of this Offer is _____, **202**__ (so long as both parties have signed).

1. Purchase Price. Buyer offers to purchase the Property for \$_____ (“**Purchase Price**”) to be paid by Buyer to City by cashier’s check, or wire transfer, at time of **Closing (hereafter defined)**, subject to customary pro-rations and deductions pursuant hereto (“**Net Price**”). The City may request that Buyer allocate the Net Price to City expenses as outlined on City’s Closing document.

2. Project; Estimated Costs; Performance Duty; Performance Deposit for Project.

A. Project; Compliance with Laws. Buyer is purchasing the Property to construct and complete the following “**Project**”:

- [DESCRIBE PROJECT. Demo, rehab, construction, improvement]

The Project must: **(1)** meet plans and specs approved by DCD prior to commencement of work; **(2)** must be undertaken after obtaining necessary permits; and **(3)** must be in compliance with applicable **(a)** federal, state, and local laws (including the American with Disabilities Act as applicable), **(b)** stormwater regulations (MCO Ch. 120), **(c)** licensing, **(d)** City Health and Building Codes, **(e)** zoning laws (including City Board of Zoning Appeals [“**BOZA**”] approval of any variance or special use, and including landscaping requirements).

Buyer shall consult with the City’s Development Center regarding the Project, and BOZA if applicable.

B. Buyer is responsible for all site development expenses, including, but not limited to, if applicable: **(1)** extension of water and sewer laterals; **(2)** replacement of lead-lined water supply lines; **(3)** provision or replacement of sidewalks and curb cuts.

C. Estimated Costs. The “**Estimated Costs**” for completing the Project are: \$_____. Buyer understands that Buyer is obligated to complete the Project, and Buyer understands the “Proof of Funds” contingency below.

D. Performance Duty; Deadlines; Performance Deposit; Performance Restrictive Covenant. Buyer’s performance duty is completing the Project (completion shall be established by Buyer providing to DCD a copy of a DNS-issued Certificate of Occupancy for the Project, a “**COO**”) on or before the date that is __ **months after** the City’s conveyance of the Property to Buyer (the “**Deadline**”). NOTE: The Deadline does not supersede or override the enforcement actions of other City Departments or regulatory authorities.

At Closing, Buyer shall pay to City \$ **5,000** to hold as a **performance deposit** to ensure timely completion of the Project. If the Project is not completed (the COO is not provided to DCD) by the Deadline, City shall retain the performance deposit as its own. If the Project is timely completed, then City shall return the performance deposit without interest to Buyer.

Buyer shall keep DCD apprised of the status of work and status of obtaining the COO.

In addition to the performance deposit and City's rights with respect thereto, Buyer agrees that, after Closing, Buyer may not convey the Property to another prior to Buyer obtaining the COO; and the Deed shall also contain a Deed Restriction to that effect.

3. Buyer Identification and Disclosures. If Buyer is an entity (rather than an individual), Buyer represents that: (i) Buyer is duly existing and authorized to do business in the State of Wisconsin; and (ii) the following table contains the managing members, officers, directors of Buyer (as applicable).

Person Name	Officer	Managing Member	Director on Board of Directors

Buyer certifies that Buyer, directly or indirectly (i.e. Buyer and every owner, member, manager, officer and director of Buyer), is now and will at Closing be in compliance with the following "**General Buyer Policies**" pursuant to Milwaukee Code of Ordinances ("**MCO**") 304-49-9:

- A. Not delinquent in the payment of any property tax (real and personal property), special assessment, special charge or special tax to the City of Milwaukee.
- B. Not a party against whom the City has an outstanding judgment.
- C. Not have outstanding building or health code violations or orders from the City's Health Department or DNS that are not actively being abated.
- D. Not a party who has been convicted of violating an order of the Health Department or DNS within the past year.
- E. Not subject to a property tax foreclosure by the City within the past 5 years.

City may reject Offers from parties that violate the General Buyer Policies and City may terminate an accepted Offer if such conditions exist at any time after acceptance of this Offer or at Closing.

City may reject an Offer from parties with outstanding City of Milwaukee offers or recently purchased property from City where improvements or renovations have not been completed.

4. Buyer certifies that Buyer:

- | | | |
|------------------------------|----------------------------------|---|
| <input type="checkbox"/> has | <input type="checkbox"/> has no | outstanding accepted Offers to Purchase with City |
| <input type="checkbox"/> has | <input type="checkbox"/> has not | acquired other property from City for which all required rehabilitation, repair, improvement or development has not been completed. |

Buyer certifies that Buyer ☐ is ☐ (and its members) is not an employee of the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee, the Housing Authority of the City of Milwaukee, the Milwaukee Economic Development Corporation or Neighborhood Improvement Development Corporation (individually and collectively “**City Agency**”). If employed by City Agency, identify the City Agency and department: NONE. City Agency employees must complete and submit with the Offer a DCD Conflict of Interest Form that has been signed by the employee’s supervisor and DCD Commissioner.

5. Acceptance. The City’s Common Council authorized this transaction per the Council File identified in the City signature block below. City shall, if it signs and accepts, provide a fully signed copy of the Offer to Buyer. Buyer may withdraw the Offer at any time prior to delivery of the City’s acceptance signature by sending a written notice of withdrawal to City.

6. Broker.

☐ There is no real estate Broker involved in this transaction.

☐ The following Buyer Broker is the only real estate Broker involved in this transaction (City does not have this Property listed with a City-Selling Broker); and upon Closing (and only if this transaction Closes), City will pay Broker a commission of the lesser of 6% of the Purchase Price or **\$2,000**. City will not pay any commission however if Broker and Buyer are the same, or if they are principals or agents of one another (e.g. if Broker is a member of Buyer’s LLC, City will not pay commission), or if Buyer is a non-profit entity purchasing for a purchase price of \$1,000 or less.

Broker Firm Name	
Broker Agent Name	
Agent direct or cell phone no.	
Agent email	
Agent office address	

7. Offer Term; Closing. The Offer shall commence on the **Effective Date** (see above) and be in effect until Noon on , 20 (“**Expiration Date**”). **Closing** (“**Closing**”) shall take place at DCD’s Office at 809 North Broadway, 2nd Floor, Milwaukee, or at a title company or other mutually acceptable place, at a mutually acceptable time and date that will be on or before the **Expiration Date**. At Closing, Buyer and City agree to execute a Closing Statement.

In City’s discretion, City may have a title company of City’s choosing close the transaction, in which case Buyer shall pay the title company’s closing fee.

8. City Termination Right. If: (a) Buyer fails to Close by the Expiration Date and pay per the Closing Statement; or (b) Buyer, directly or indirectly, is in violation of City General Buyer Policies; or (c) a contingency (see below) is not waived or satisfied by Closing; then, in any such event, City may terminate this Offer.

9. Contingencies. This Offer and City’s duty to Close are subject to the following “**Contingencies**”:

A. City Buyer Policies. Buyer being in compliance with City’s General Buyer Policies.

B. BOZA. Buyer obtaining, if applicable, BOZA approval for the Project and Property use.

C. Proof of Funds/Financing. Buyer providing DCD with proof of funds (financing and/or available funding, including cash on hand, other assets on hand, and grants and loans available to Buyer) to cover the Net Price and a substantial part of the Estimated Costs, meeting DCD's reasonable approval (including what constitutes "substantial"). Buyer understands that Buyer is obligated to undertake and complete the Project and that DCD's review of Buyer's "proof of funds" is to provide assurance to DCD to induce Closing regarding Buyer's ability to complete the Project.

D. Plans. Buyer providing DCD with final construction plans including building plans and elevations and a site plan detailing fencing, paving and landscaping (collectively "**Final Plans**") meeting DCD's reasonable approval.

E. Title Status. If Buyer obtains a title insurance commitment for the Property (see Section 13 below), Buyer review and approval of a current title insurance commitment for the Property showing status of title meeting Buyer's reasonable approval.

F. Anti-Displacement Neighborhood Preference ("NHP") Policy Compliance. DCD – DELETE THIS SUBSECTION IF IT IS NOT APPLICABLE. If the Project will receive City funding (the NHP Policy does not apply to RACM or NIDC funding), and if the Project involves more than 20 affordable housing units in zip code 53204, 53208, 53212, or 53233), then Buyer providing DCD with proof, reasonably acceptable to DCD, that Buyer will comply with the requirements of Common Council Resolution No. 190401 and the City's NHP Policy. Is City funding being used for the Project? _____ Yes _____ No
If yes, identify the City funding source and amount: _____

If any contingency is not satisfied by Closing, City or Buyer may terminate this Offer, in which case, there is no duty to Close.

10. No Known Current Tenants. City and Buyer are not aware of any current occupants or tenants at the Property.

11. Property Condition; AS-IS; Environmental.

A. AS IS. City will convey the Property to Buyer at Closing in **AS-IS, WHERE-IS** condition, with no warranties or representations, express or implied, and with all faults and defects, including environmental conditions, known or unknown. Such provisions shall bar all tort, warranty, and misrepresentation claims – including any action based on non-disclosure. City has no disclosure requirements; Wis. Stat. Ch. 709 does not apply to this transaction (Wis. Stat. 709.01 (1) and 77.25 (2)). The Property *may*: contain lead-based paint, asbestos, underground storage tanks, or other environmental hazards; have shared water service; have buried rubble or other adverse geotechnical conditions; and/or be served by lead private or lead municipal water service lines. If the transaction closes, Buyer agrees to indemnify and hold City harmless from and against expense or claim regarding environmental matters or hazards (whether detected and known or undetected and unknown) that may be present at or affect the Property as of the date of Closing. See MCO 225-22 under which owners may be required to connect water and sewer to public water mains and public sewers and MCO 225-22.5 under which owners may be required to replace lead water service lines. See the MWW website for addresses of properties with lead water service lines, city.milwaukee.gov/water. Per MWW, the use of lead faucet filters is the best resource for lead-water safety.

B. Reports. Any scope of work, cost estimates, or data or information concerning the Property that City may have provided to Buyer, including any such information provided in the RFP process, are for

informational purposes only. City does not warrant the content or conclusions of same, and provision of such does not change the “AS-IS, WHERE-IS” nature of the transaction.

- 12. Deed; Restrictive Covenants; Recording.** Upon delivery of the Net Price by Buyer, at Closing, City shall convey the Property to Buyer by Quit-Claim Deed (“**Deed**”) in the form attached as **EXHIBIT A**, subject to the restrictions therein. Promptly after Closing, the Deed shall be recorded, at Buyer’s expense, by City (or if City has a title company close the transaction, the Deed shall be recorded by the title company). MCO 304-49-11. Buyer shall provide City (or title company as the case may be) with a check at Closing for recording charges as directed on the Closing Statement.
- 13. Title Insurance.** City has no duty to provide to Buyer a title report, title insurance commitment or title insurance policy. Buyer (if it wants title insurance) shall obtain a current title insurance commitment for the Property at Buyer’s cost and promptly provide City with a copy, including any updates, and any endorsements. See [Section 7](#), [Section 9.E.](#), [Section 12](#), and [Section 15](#).
- 14. Legal Possession; Occupancy.** Legal possession and occupancy of the Property shall be delivered to Buyer at Closing subject to the terms and conditions contained herein. (and subject to the leases described above (if any) and the tenants’ rights thereunder).
- 15. Special Letters.** City provided, or will provide to Buyer, City’s internal special letters. If City has a title company close the transaction, City may have the title company provide the special letters to Buyer, and Buyer shall then pay the title company’s special letter service fee. Any special charge or special assessment, or amount owing to City (whether for City sewer or water service or otherwise) shall be paid by Buyer at Closing.
- 16. Transfer Fee.** No real-estate-transfer fee shall be due at Closing per Wis. Stat. 77.25 (2). Buyer shall cooperate by providing to City information needed for completion of a transfer return and/or E-return.
- 17. DNS Property Recordings.** At Closing, Buyer shall execute the DNS Property Recording Form (owner registration) (MCO 200-51.5) and Vacant Building Registration (MCO 200-51.7), *if applicable*, and provide City with a check for the required fee as shown on the Closing Statement. City shall transmit the registrations to DNS.
- 18. Personal Property.** City is not responsible for any personal property existing at the Property at Closing. Buyer understands that City acquired the Property by property-tax foreclosure under Wis. Stat. 75.521, but that City did not acquire the personal property by property-tax foreclosure. See MCO 308-5.
- 19. Successors and Assigns.** Once this Offer is accepted by City, this Offer binds and inures to the benefit of the parties hereto and their successors and assigns. However, Buyer may not assign any rights, or obligations under this Offer without City’s written consent.
- 20. Facsimile/Email and Counterparts.** This Offer may be executed in one or more counterparts. Facsimile, email, or PDF signatures shall be accepted as originals.
- 21. Entire Agreement; Amendment.** This Offer constitutes the entire agreement between the parties concerning the Property and City conveyance of same to Buyer, and all prior statements, written or oral, are terminated and of no effect. This Offer may only be amended by a written agreement signed by all the parties hereto. Buyer acknowledges that any prior right of entry, site control authorization, or exclusive right to negotiate extended to Buyer or any person or entity affiliated with it has, and is, terminated.

22. Severable. The terms and provisions of this Offer are severable such that the invalidity or unenforceability of any term or provision shall not affect or impair the validity or enforceability of the remaining terms and provisions.

23. Survival (no merger). The terms, provisions, and agreements herein shall survive Closing and delivery and recording of the Deed.

24. Notices. All notices permitted or required hereunder shall be considered given **(i)** upon receipt if hand-delivered by commercial courier or otherwise personally delivered, **(ii)** if sent by email, the notice shall be deemed given when sent as per the following and so long as the notice is successfully sent (i.e. the sender does not receive any error or inability to send notification), and **(iii)** within two business days of depositing same in the U.S. mail, postage-paid, addressed by name and address to the party intended as follows:

<u>IF TO CITY:</u> Matt Haessly Department of City Development 809 North Broadway, 2nd Floor Milwaukee, WI 53201-0324 Phone: 414-286-5736 Email: mhaess@milwaukee.gov <u>WITH COPY TO:</u> TBD Asst. City Attorney 841 North Broadway, 7 th Floor Milwaukee, WI 53202 Phone: TBD Email: TBD	<u>IF TO BUYER:</u> Entity Name: _____ Attn: _____ Address: _____ Milwaukee, WI 53_____ Phone: _____ Email: _____
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25. Remedies. Except as otherwise provided herein, in the event of a breach of this Offer, the non-breaching party shall have all rights and remedies available at law and in equity against the breaching party. In the event of breach by Buyer at or prior to Closing, City may elect to terminate this Offer. City retains all rights, including all rights under Wis. Stat. 893.80.

26. Special Conditions Addendum: __ is __ is not attached. If Addendum exists, the terms therein are incorporated herein.

IN WITNESS WHEREOF, Buyer and City sign and enter this Purchase and Sale Agreement & Offer as of the **Effective Date**.

CITY: CITY OF MILWAUKEE By: _____ Amy Turim, Special Deputy Commissioner, DCD	BUYER: _____ By: _____ Name Printed: _____ Title: _____
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Common Council Resolution # _____ MCO 304-49-10	
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EXHIBIT A

Document Number _____

QUIT CLAIM DEED

Name and Return Address:

Entity Name: _____

Attn: _____

Address: _____

Drafted By: City of Milwaukee, Dept. of City Development

Property TIN: _____

This deed and conveyance are exempt from the Wisconsin Real Estate Transfer Fee. Wis. Stat. 77.25 (2).

Recording Area

THIS QUIT-CLAIM DEED is made as of _____, 202_, by the CITY OF MILWAUKEE ("**City**"), as Grantor, to _____ ("**Buyer**"), as Grantee.

1. Conveyance of Property. City conveys and quit-claims to Buyer, on an AS-IS, WHERE-IS basis, all of City's right, title, and interest in and to the following real estate in the City of Milwaukee, Milwaukee County, Wisconsin (the "**Property**"):

- Property Address: _____, Milwaukee, WI
- Property TIN: _____
- Property Legal Description: _____

2. Restrictive Covenants. This conveyance is subject to the following restrictive covenants, the terms and conditions of which were material inducements to City conveying the Property to Buyer, and but for Buyer's acceptance of same by execution of a Purchase and Sale Agreement with City (that Purchase and Sale Agreement is herein called the "**Offer**"), City would not have conveyed the Property to Buyer. These restrictive covenants are binding on Buyer and Buyer's successors and assigns, including successor owners of the Property.

A. No Tax Exemption Restrictive Covenant. The Property must be taxable for property-tax purposes and no owner or occupant of any of the Property (or of any part of the Property) shall apply for, or seek, or accept, property-tax exemption, whether under Wis. Stat. 70.11 or otherwise, for the Property or any part thereof. This restriction may only be released by recording against the Property in the Milwaukee County Register of Deeds Office ("**ROD Office**") a resolution passed by the City's Common Council by a 2/3 vote approving release.

B. Performance Restrictive Covenant. Buyer may not convey the Property to another prior to Buyer obtaining from the City a Certificate of Occupancy for the Property as required by the Offer. If the City has not recorded a "Notice of Violation" of this restrictive covenant in the ROD Office by _____, 20__, then this Performance Restrictive Covenant shall automatically terminate of record with no need for the City to record in the ROD Office any separate satisfaction of this restrictive covenant.

IN WITNESS WHEREOF, City, as Grantor, signed this Deed as of the date first written above.

<p>STATE OF WISCONSIN)) ss MILWAUKEE COUNTY)</p> <p>Personally came before me this ____ day of _____, 20__, the City signatory identified, to me personally known, who signed this document on behalf of the City and acknowledged the same.</p> <p>_____ Notary Public, State of Wisconsin</p> <p>Name Printed: _____</p> <p>My commission expires: _____</p>	<p>City: CITY OF MILWAUKEE</p> <p>By: _____</p> <p>Amy Turim, Special Deputy Commissioner Department of City Development</p> <p>MCO 304-49</p> <p>Common Council Resolution No. _____</p>